

# Service Area Plan

## Department Of Housing And Community Development

### Intergovernmental Relations (70101)

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#### Service Area Background Information

##### Service Area Description

The Commission on Local Government's activities are focused in four principal areas: (a) reviews and assists the resolution of proposed boundary change and transition issues as well as inter-local agreements that settle such actions; (b) analyses and reports on the comparative fiscal condition of Virginia's counties and cities; (c) examines proposed state legislation for its fiscal impact on the Commonwealth's local governments; and (d) oversees and reports on all state and federal mandates imposed on Virginia localities.

##### Service Area Alignment to Mission

The activities of the Commission on Local Government can have a positive impact on the agency's mission to make Virginia's communities prosperous places in which to live, work, and do business. For example, the analysis of annexation and related inter-local issues can, for example, result in municipalities increasing their resources and land for development, which can facilitate the economic growth of their area in general.

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#### **Service Area Statutory Authority**

- Section 15.2-2907, Code of Virginia requires the Commission on Local Government to critically review all initiatives by local governing bodies or by citizen petition regarding annexation, annexation immunity, transition, and consolidations establishing new cities before they can be presented to the courts for resolution. The Commission is required to submit a written report analyzing each inter-local issue based upon prescribed statutory factors and recommending the appropriate disposition of the issue.
- Section 15.2-3231--15.2-3235, Code of Virginia requires the Commission to review all proposed agreements which would permit a town to annex areas in a county merely by the adoption of a municipal ordinance. In instances in which a town is unable to negotiate such an agreement with its county, the Commission is empowered by law to enter an order granting the town such authority.
- Section 15.2-3601, Code of Virginia authorizes the special three-judge court to request the Commission to review citizen petitions for the incorporation of a new town.
- Section 15.2-3109, Code of Virginia requires the Commission to review petitions submitted by local governments to a court requesting a minor adjustment in jurisdictional boundaries for the improvement of service delivery.
- Section 15.2-3400, Code of Virginia requires the Commission to review proposed inter-local agreements involving long-term commitments by local governments relative to the settlement of annexation, annexation immunity, and other inter-local boundary change and transition issues before they can be presented to the courts for final resolution.
- Section 15.2-1301, Code of Virginia requires the Commission to review proposed inter-local economic growth-sharing agreements negotiated outside the context of boundary change or transition issues and to submit an advisory report to the participating local governments before they can be adopted by the localities.
- Section 15.2-2907 (E), Code of Virginia requires the Commission to assist local governments, upon their request, in the negotiation of settlements to annexation and related issues.
- Section 30-19.03 and 30-19.03:1, Code of Virginia requires the Commission to prepare fiscal impact statements on each bill introduced before the General Assembly which would mandate a net additional expenditure by any county, city, or town or which calls for a net reduction of revenues for local governments.
- In 1985 the Joint Legislative Audit and Review Commission requested the Commission to assume responsibility for calculating and publishing annually a report analyzing the comparative fiscal condition of Virginia's counties and cities. Subsequent to that date, a number of statutes have been enacted which direct agencies to utilize the Commission's data in their distribution of certain State assistance to localities.
- Section 15.2-2903 (7), Code of Virginia requires the Commission to prepare and annually update a catalog of all State and federal mandates applicable to Virginia's localities and to include in that catalog, where available, a summary of the fiscal impact of all new mandates.
- Section 15.2-2903 (6), Code of Virginia requires the Commission to establish a schedule, subject to the approval of the Governor and the Secretary of Commerce and Trade, by which the executive agencies of the Commonwealth will critically assess the mandates on local governments which they administer.
- Section 15.2-2303.2, Code of Virginia requires the Commission to prepare and annually update a report on local government revenues and expenditures resulting from the acceptance of cash proffers.

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#### **Service Area Customer Base**

Customer(s)	Served	Potential
General Assembly Members	140	140
Governor's Administration	25	40
Local Government	175	324
Public Interest Groups and Citizens given information about: boundary change and local governmental transitions; comparative fiscal studies of Virginia's localities; state and federal mandates to localities; and intergovernmental issues in general.	50,000	100,000
Three-Judge Courts	3	45

#### **Service Area Products and Services**

- Advisory reports on local boundary change and governmental transition issues and agreements (annexation, consolidation, transition, etc.) for localities and the courts
- Annual report analyzing the comparative revenue capacity, revenue effort, and fiscal stress of counties and cities
- Periodic reports analyzing changes in the revenue and expenditure profile of Virginia's cities and counties
- Annual catalog of state and federal mandates applicable to Virginia localities
- Fiscal impact statements on proposed legislation mandating additional net expenditures or the net reduction of revenues by localities
- Annual report on local government revenues and expenditures resulting from the acceptance of cash proffers
- Oversee executive agency assessment of state and federal mandates on localities
- Technical assistance to localities and state agencies regarding local governmental boundary change and transition issues
- Identification and development of mediation resources for use by localities in the resolution of inter-local issues
- Oral presentations, information and reference materials to public interest groups and the general public regarding inter-local and state-local issues within the scope of the agency's responsibilities
- Track the movement of legislation during sessions of the General Assembly
- Provide research assistance to legislative study committees

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#### Factors Impacting Service Area Products and Services

- The Commission has no control over its agenda with respect to inter-local issues and it is required to accept cases as they are presented to it and to complete its review of those cases within statutorily prescribed time frames.
- Virginia law governing annexation, local government transitions, and consolidations is extremely complex and requires an extraordinary amount of time to inform local government officials, the media and the public regarding the legal processes and their ramifications.
- Some of the principal data utilized by the Commission is generated by other state agencies and institutions of higher education, and delays and errors in the production of such data can affect the completion of Commission projects.

#### Anticipated Changes To Service Area Products and Services

- The inter-local issues which are reviewed by the Commission are volatile and politically sensitive and disaffection with Commission findings and recommendations could lead to hostile political reactions.
- The Executive Memorandum governing the mandate assessment has expired and its renewal is expected to bring about a complete reevaluation of that process.
- It has become increasingly difficult to recruit cities and counties to analyze proposed legislation as to its fiscal impact, and it is anticipated that the local government associations may request that the program be reevaluated.

#### Service Area Human Resources Summary

##### Service Area Human Resources Overview

The Commission on Local Government is a five-member board that is appointed by the Governor and confirmed by the General Assembly. Members of the Commission are required to be qualified by their knowledge and experience in local government and they may hold no other elective or appointive public office while serving the Commonwealth. Support for the responsibilities of the Commission is provided by three full-time employees and one part-time employee.

##### Service Area Full-Time Equivalent (FTE) Position Summary

Effective Date:	6/1/2006
Total Authorized Position level .....	4
Vacant Positions .....	0
Non-Classified (Filled).....	0
Full-Time Classified (Filled) .....	4
Part-Time Classified (Filled) .....	0
Faculty (Filled) .....	0
Wage .....	0
Contract Employees .....	0
Total Human Resource Level .....	4

#### Factors Impacting Service Area Human Resources

#### Anticipated Changes in Service Area Human Resources

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#### Service Area Financial Summary

	<u>Fiscal Year 2007</u>		<u>Fiscal Year 2008</u>	
	General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Base Budget	\$334,000	\$0	\$334,000	\$0
Changes To Base	\$20,392	\$0	\$20,392	\$0
<b>SERVICE AREA TOTAL</b>	<b>\$354,392</b>	<b>\$0</b>	<b>\$354,392</b>	<b>\$0</b>

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## Service Area Objectives, Measures, and Strategies

### Objective 70101.01

***To assist local governments, citizens and state officials in understanding the legal processes and general ramifications of local boundary change and governmental transition issues.***

The well-being of Virginia's counties, cities and towns is vital to the overall welfare of the state and its citizens, and is the foundation of many of the services delivered by the Department of Housing and Community Development. The positive resolution of inter-local issues results in the reduction of the fiscal, demographic and economic disparities between jurisdictions involved in such issues and enhancement of the overall viability of the areas encompassing those localities.

#### **This Objective Supports the Following Agency Goals:**

- Support policy development and research related to significant economic development, inter-governmental relations, community development and housing issues.

#### **This Objective Has The Following Measure(s):**

- **Measure 70101.01.01**

***Number of localities and other clients requesting information or other assistance on local boundary change***

**Measure Type:** Output

**Measure Frequency:** Annually

**Measure Baseline:** 120 contacts for FY 2005

**Measure Target:** 130 contacts for FY 2007; 135 contacts for FY 2008

**Measure Source and Calculation:**

Measure Source: Commission on Local Government local assistance form will record name of requesting entity and date of fulfillment of request. Copies of all e-mail responses to requests for assistance will be maintained in a local assistance file and used in calculation of the measure. Further, it will be investigated if the Web trends report ranking downloads of documents from Commission's website can be used in calculation of this measure.

Calculation method: tracking contact and compiling totals

#### **Objective 70101.01 Has the Following Strategies:**

- The Commission will assist localities and other interested parties in exploring alternatives to contested inter-local issues through:
  1. Using various means to encourage the parties to enter into mediation or negotiations concerning the issue.
  2. Identification and training of mediation resources for the parties to use.
  3. Offering financial assistance to support mediation if resources are available.